

Important Information for Short-Time Compensation (STC) Participants

MONETARY DETERMINATIONS

After the Vermont Department of Labor receives and data enters your initial claim form, you will receive two monetary determinations:

- One will show the "Weekly Benefit Amount" you would receive if you were totally unemployed and receiving benefits under the regular unemployment insurance program.
- The other will show the "weekly benefit amount" you will receive under the Short-Time Compensation (STC) program while working the reduced hours of the approved STC plan. This is the lower benefit amount of the two determinations and is based on your benefit amount under the regular unemployment insurance program. The amount is determined by multiplying the regular UI benefit amount by the percentage of lost work hours as set forth in your employers' approved STC plan. For example, if you usually work a 40 hour week for your STC employer but you will only work 32 hours under the STC plan, the 8 hours not worked represents 20% of your normal work hours and will result in your being paid 20% of your regular UI weekly benefits. It should be noted that this benefit amount could vary from week to week if your hours with your STC employer are different from what is set forth in the plan, if you have worked for another employer or in self-employment, or if you have had any vacation or personal leave hours. In any of these cases, the STC benefit will have to be recalculated.

CLAIM CARDS / FORMS

When filing for STC, **ignore any claim cards that you receive in the mail, as they have to do with the regular UI program.** Your employer will provide you with the necessary STC claim forms.

TOTAL EMPLOYMENT

Any week that you work 81% or more of your usual hours for your STC employer (usual hours meaning the number of hours you normally worked prior to being reduced under an STC plan), you will be considered totally employed and not entitled to any STC benefits.

HOURS WORKED FOR OTHER EMPLOYERS OR IN SELF-EMPLOYMENT

You must report any hours that you work for another employer in the week you perform the work. There is a question regarding this on the STC claim form that you will be filling out weekly.

If you work in the same week for both your STC employer and another employer or in self-employment, the hours will be combined to determine your STC entitlement for that week. If the combined hours are 81% or more of your usual weekly hours of work with your STC employer, you will be considered totally employed and ineligible for STC benefits, for that week.

VACATION, HOLIDAY, AND PERSONAL LEAVE HOURS

In any week you take paid vacation, holiday, sick or personal leave hours, your STC benefit amount will be based on the combined hours of work performed plus the vacation or personal leave hours taken. If the combined hours are 81% or more of your usual weekly hours with your STC employer, you will be considered totally employed and ineligible for STC benefits, for that week.

If you work zero hours for your STC employer in any given week, you will not receive an STC benefit regardless of the personal leave hours taken, however, you may be eligible to receive regular unemployment compensation benefits for that week. You must perform some work for your STC employer in a given week in order to receive STC benefits that week!

AVAILABILITY

You must be able and available for all hours of work that your STC employer offers you. If your employer approves time off and you have performed some work during the week, you could be eligible for an STC benefit based on the combined work and leave hours for that week. If your employer does not grant the time off, the question of availability must be investigated and you could be determined ineligible for STC benefits for that week.

If injury or illness does not allow you to work all of the hours that were offered by your STC employer, the Vermont Department of Labor will ask you and your employer for information on the illness and the amount of work time that was missed. A decision would then be made to allow or deny STC benefits for the week that you were ill. STC benefits would usually be denied because an individual must be able to work and be available for work to receive benefits.

TAX STATEMENT

STC Unemployment Compensation payments are taxable income and must be reported on the "Unemployment Compensation Income" line of your federal return. You may elect to have federal and state taxes withheld from your weekly benefit amount. If you choose to have these taxes withheld, and you did not indicate such on your Initial Claim form, you must fill out a Form B-117, "Initial Request for Income Tax Withholding". You are allowed to change your status once during your benefit year. By the end of January, the Department notifies the Internal Revenue Service (IRS) and you of the amount of benefits you received for the previous calendar year. Beginning in January, 1998, the Department will also report the amounts of federal and state withholding for all claimants who had taxes withheld for the previous year. It is important to keep your address information current as these notices go to the address that we have on file. If you lose your notice or do not receive it by the end of January, you can obtain this information by dialing 1-800-983-2300 and selecting option five (5).

BENEFIT PAYMENTS

Upon receipt and approval of information submitted by you and your STC employer, a check will be issued to you unless you have set up our Direct Deposit Services. If you are interested in enrolling in our Direct Deposit Services, call the Weekly Continued Claims line toll-free at 1-800-983-2300 and Select Option "6". Simply follow the step-by-step instructions provided by the automated system.

You must have the following information before you call:

1. Social Security Number
2. Your Financial Institution's Routing Number - *This is a nine (9) digit number.*
3. Your Account Number - *This may be up to seventeen (17) digits.*
4. Type of Account - *Must be a checking or statement savings account.*

If either the account or routing number contains any letters, you must call the Claimant Assistance Line at 1-877-214-3332 to have them process your enrollment information.

All Direct Deposits must go through a "pre-note" process with your financial institution to verify that the account and routing information you have provided is correct. Upon account verification, provided you are found eligible for the payment, you can expect the first Direct Deposit to occur 14 calendar days after the initial request. Until the pre-note process has been completed, you will receive a paper check for each payment you are eligible for.

If your account or routing number changes, you MUST immediately change or cancel your Direct Deposit information. This can be done by calling the Weekly Continued Claims Line toll-free at 1-800-983-2300 and selecting Option "6" to make the necessary changes. Failure to maintain accurate account information will result in a delay in processing your Unemployment Insurance benefit payment to you. It is YOUR responsibility to maintain accurate information with the department.

If you have any questions regarding this program that your employer is unable to answer for you, contact the STC Unit or Special Programs of the Vermont Department of Labor at 1-877-214-3332.

Equal Opportunity is the Law

The State of Vermont is an Equal Opportunity/Affirmative Action Employer. Applications from women, individuals with disabilities, and people from diverse cultural backgrounds are encouraged. Auxiliary aids and services are available upon request to individuals with disabilities. 711 (TTY/Relay Service) or 802-828-4203 TDD (Vermont Department of Labor).